

105TH CONGRESS
2D SESSION

H. R. 4534

To amend title XVIII of the Social Security Act to implement a budget-neutral payment system for rehabilitation services under part B of the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 9, 1998

Mr. STARK introduced the following bill; which was referred to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to implement a budget-neutral payment system for rehabilitation services under part B of the Medicare Program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Rehabilita-
5 tion Benefit Equity Act of 1998”.

6 **SEC. 2. REPEAL OF FINANCIAL LIMITATION ON REHABILI-** 7 **TATION SERVICES.**

8 (a) REPEAL.—

1 (1) IN GENERAL.—Section 1833 of the Social
2 Security Act (42 U.S.C. 1395l) is amended by strik-
3 ing subsection (g).

4 (2) EFFECTIVE DATE.—The amendment made
5 by paragraph (1) shall apply to services furnished on
6 or after July 1, 2000.

7 (b) ESTABLISHMENT OF ALTERNATIVE PAYMENT
8 METHODOLOGY.—

9 (1) IN GENERAL.—Notwithstanding any other
10 provision of law, for outpatient physical therapy
11 services, outpatient occupational therapy services,
12 and outpatient speech-language pathology services
13 covered under title XVIII of the Social Security Act
14 and furnished on or after July 1, 2000, the Sec-
15 retary of Health and Human Services shall imple-
16 ment a payment methodology based on the classi-
17 fication of individuals by diagnostic category, func-
18 tional status, and prior use of services in both inpa-
19 tient and outpatient settings.

20 (2) BUDGET NEUTRALITY IN IMPLEMENTA-
21 TION.—Such payment methodology shall be designed
22 so that the methodology does not result in any in-
23 crease or decrease in the expenditures under title
24 XVIII of such Act for fiscal year 2000 and fiscal
25 year 2001.

1 (3) ADJUSTMENT FOR OUTYEARS.—For each
2 fiscal year after fiscal year 2001, the Secretary shall
3 provide for a percentage increase in the payment
4 rate under the methodology for the fiscal year in-
5 volved that is equal to the Secretary’s estimate of
6 the percentage increase in the MEI (as defined in
7 section 1842(i)(3)) of such Act for such fiscal year.

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